

# Individual Coverage Health Reimbursement Arrangement (HRA) Worksheet

Employers who don't offer traditional group health coverage to some or all of their employees can reimburse those employees for medical expenses through an account-based plan that requires employees to also enroll in individual health insurance, or in Medicare Parts A and B, or in Medicare Part C. This worksheet uses the term "individual coverage HRA" for the plan, but your employer may call it something else.

Read the notice you get from them carefully to understand the terms of your coverage. You may be required to enroll in individual health insurance or Medicare. If your employer offers you an individual coverage HRA, use this worksheet to determine if it is or isn't considered affordable. If you're covered by an individual coverage HRA or if it's affordable for you, you can't get a premium tax credit (PTC) to lower the cost of a Marketplace plan.

## STEP 1: Gather the information you need.

You'll need a few things to complete this worksheet:

- **Your most recent individual coverage HRA notice.** You should've gotten this from your employer. If you didn't, check with them.
- **The adjusted gross income amount from your most recent federal income tax return.** You'll need this to determine your household income for the year you're offered the individual coverage HRA. You'll need your household income for Step 3. For what to include, visit [HealthCare.gov/income-and-household-information/income](https://www.healthcare.gov/income-and-household-information/income).
- **A calculator.** Or, use the calculator function on your computer or mobile device.
- **Access to [HealthCare.gov](https://www.healthcare.gov).**

## STEP 2: Enter your individual coverage HRA.

a. Enter the yearly, self-only individual coverage HRA amount offered to you by your employer. If you didn't get the full-year amount provided in the notice—like if you gained employment during the HRA's plan year—enter the self-only amount that you'll get.	2a \$
b. • If the individual coverage HRA <b>is</b> offered to you for the entire year: Divide 2a by 12. Enter the result here.  • If the individual coverage HRA <b>isn't</b> offered to you for the entire year: Divide 2a by the number of months you're being offered the individual coverage HRA. Enter the result here.	2b \$

## STEP 3: Enter your household income.

a. Enter your expected household income for 2020.	3a \$
b. Divide 3a by 12. Enter the result here.	3b \$
c. Multiply 3b by 9.78% (.0978 on your calculator). Enter the result here. <b>Note:</b> The 9.78% applies only to plans that'll start in 2020.	3c \$

## STEP 4: Calculate if the individual coverage HRA is affordable.

a. Enter the premium amount of the lowest cost Silver plan. To get this amount, follow these steps: <ul style="list-style-type: none"><li>• Visit <a href="https://www.healthcare.gov/see-plans/">HealthCare.gov/see-plans/</a>.</li><li>• Enter your ZIP code.</li><li>• When asked who's in your household, select "Just You."</li><li>• Enter your current age, and select your sex and other information.</li><li>• When asked about your expected 2020 income, select "Skip" without entering your income information.</li><li>• Select "Skip" again on the pop-up box.</li><li>• Close the "Help Comparing Plans" pop-up box.</li><li>• You'll see a list of plans. Select the "Refine Results" button on the top right.</li><li>• At the top of the screen, check the box next to "Silver."</li><li>• Scroll down to the bottom of the screen, and select "Apply Filters."</li><li>• Review the first plan listed</li><li>• Find the self-only premium amount from the first plan listed, and enter it here.</li></ul>	4a \$
b. Enter your monthly premium minus your monthly, self-only individual coverage HRA amount. To get this amount, subtract 2b from 4a.	4b \$
c. Enter the amount from 3c.	4c \$
d. Is the 4b amount more than the 4c amount? Select Yes or No.	4d Yes No

## STEP 5: Check affordability.

- **If 4d is Yes: Your individual coverage HRA isn't considered affordable.** This means you may be eligible for a PTC to lower the cost of Marketplace coverage for you and your household members **only** if you **opt-out** of your employer's individual coverage HRA offer.
- **If 4d is No (or if 4b and 4c are equal): Your individual coverage HRA is considered affordable.** This means you're not eligible for a PTC to lower the cost of Marketplace coverage for you and your household members (if the offer is extended to them). It's a good idea to accept your employer's individual coverage HRA offer to help pay your premiums and enroll in a plan.

Qualifying consumers may be eligible for advance payments of the premium tax credit (APTC) to lower their monthly health insurance payment for Marketplace coverage. Consumers covered by an individual coverage HRA or offered an individual coverage HRA that is affordable won't be eligible.

If you're completing your Marketplace application and determined your individual coverage HRA is affordable with by this worksheet, or if you'll be covered by an individual coverage HRA during your Marketplace plan's coverage period, don't request any APTC. If the individual coverage HRA is also offered to your household members, don't request any APTC for them. If you're starting your Marketplace application, you can either select that you aren't applying for help paying for coverage, or reduce the amount of the APTC you'll use before you select a plan. If you've already completed your Marketplace application, come back to your application at [HealthCare.gov](https://www.healthcare.gov) to lower your APTC amount.

## Need more information?

- Visit [HealthCare.gov/ICHRA](https://www.healthcare.gov/ichra).
- For specifics on your individual coverage HRA offer, like its start date and if it covers dependents, check your individual coverage HRA notice or contact your employer.
- For help completing this worksheet, call the Marketplace Call Center at **1-800-318-2596** (TTY: 1-855-889-4325).



Health Insurance Marketplace